REMARKS

<u>Claim Changes</u>

Claims 1 and 11 are amended to more clearly recite the claimed invention. Support for the changes can be found on FIG. 2 and FIG. 3 and the accompanying description in page 8, lines 16-21, page 9, lines 16-21, page 17, lines 7-13, page 10, lines 7-10, and page 18, lines 10-13 of the specification as filed. Thus, no new matter is added.

Claim 2-7, 12, 13, and 16 are amended to clarify and simplify the language.

No amendment made is related to the statutory requirements of patentability unless expressly stated herein. No amendment is made for the purpose of narrowing the scope of any claim, unless Applicant had argued herein that such amendment is made to distinguish over a particular reference or combination of references. Any remarks made herein with respect to a given claim or amendment is intended only in the context of that specific claim or amendment, and should not be applied to other claims, amendments, or aspects of Applicant's invention.

<u>Claim rejections under 35 U.S.C. 112, second paragraph.</u>

Claims 1-20 were amended to remedy the objection under 35 U.S.C. §112, second paragraph. Applicant submits that claims 1-20 as amended overcomes this rejection. In particular, claims 1 and 11 have been amended to indicate that a first application key is generated at the network based server and a second application key is generated at the client. Thus, Applicant submits that more than one application key is provided. Accordingly, Applicant respectfully requests the rejection be withdrawn.

<u>Rejection of claims 1-20 under 35 U.S.C. § 102 (b) as being anticipated by US 5,930,362 (Daly)</u>

Applicant has amended the claims to clarify the invention. Applicant therefore respectfully requests reconsideration of the rejection of claims 1-20 under 35 U.S.C. § 102 (b) as being anticipated by Daly as herein amended.

Applicant respectfully submits that Daly does not anticipate, either expressly or inherently, each and every element as set forth in independent claims 1 and 11 as amended. For example, independent claim 1 as amended recites "generating, responsive to the authentication, a first dynamic key seed locally at the network based server" and "generating, responsive to the authentication, a *second dynamic seed locally at the client without utilizing the first dynamic seed*." In addition, claim 1 is amended to include "generating a first application key independently at the network based server corresponding to the locally generated first dynamic seed" and "generating a second application key *independently* at the client corresponding to the locally generated second dynamic seed, wherein the second application key is generated *without utilizing the first application key*." Accordingly, the claims are amended to clarify that two dynamic seeds are generated independently of each other and two applications keys are also generated independently of each other, This combination is not anticipated either expressly or inherently in Daly.

Daly discloses an encryption technology in which a cellular network receives a request for activation from a mobile station. See Daly, col. 3, lines 52, 53. Upon receiving such request, the cellular network generates data encryption values such as a public modulus N, a primitive element g, and a secret key y. These values are then utilized to generate a partial key Y. The partial key Y is then transmitted to a mobile station along with other values N and g. See Daly, col. 4, lines 20-22. At the other end, the mobile station utilizes the received values N, g and Y and generates a random number which becomes a secret key x. See Daly, col. 4, lines 30-34. Thus, in Daly, it is clear that the random number (equated to Applicant's dynamic seed) at the mobile station is generated based on the values N, g and Y received from the cellular network, and is not generated locally/independently without using the keys or values generated at the cellular network. In contrast, Applicant's amended claim recites "generating . . . a first dynamic seed at the network based server" and "generating… a second dynamic seed *locally* at the client *without utilizing* the first dynamic seed."

Further, in Daly, the mobile station utilizes the generated secret key x and the received values N and g to calculate a partial key X. The mobile station then transmits the partial key X back to the cellular network. See Daly, col. 4, lines 33-39. Thus, in Daly, it is clear that the

partial key X (equated to Applicant's application keys) at the mobile station is calculated using the secret key x which in turn is generated using the partial key Y (equated to Applicant's application key), and the values N and g *received from the cellular network*. Also, in Daly, the generated partial keys X and Y are exchanged between the cellular network and the mobile station. In contrast, Applicant's claim as amended recite "generating a first application key independently a the network based server" and "generating a second application key *independently* at the client corresponding to the locally generated second dynamic seed, wherein the second application key is generated *without utilizing the first application key*." Thus, Applicant's claims indicate how the two application keys are generated and they are generated independently of one another without using similar data. Therefore, Applicant respectfully requests reconsideration of claim 1, as amended, and requests to kindly withdraw the rejection.

Applicant's amended claim 11 recites "generating . . . a first dynamic seed locally at the network based server" and "generating…a second dynamic seed *locally* at the client, wherein the second dynamic seed is generated *without utilizing the first dynamic see.*," In addition, claim 11 recites "generating a fist application key independently at the network base server based on the first dynamic seed" and "generating…a second application key *independently* at the client based on the second dynamic seed," which, as discussed above, is not found in Daly. Therefore, Applicant respectfully requests reconsideration of claim 11, as amended, and requests to kindly withdraw the rejection.

In view of the foregoing, Applicant respectfully submits that Daly does not disclose Applicant's above mentioned limitation. Applicant therefore submits that independent claims 1 and 11 are not anticipated by Daly and therefore the rejection of claims 1 and 11 under 35 USC 102(b) is improper and should be withdrawn. Applicant respectfully requests that claims 1 and 11 may now be passed to allowance.

Dependent claims 2-10, and 12-20 depend from, and include all the limitations of independent claims 1 and 11. Therefore, Applicant respectfully requests the reconsideration of dependent claims 2-10, and 12-20 and requests withdrawal of the rejection.

Conclusion

Applicant respectfully requests that a timely Notice of Allowance be issued in this case. Such action is earnestly solicited by the Applicant. Should the Examiner have any questions, comments, or suggestions, the Examiner is invited to contact the Applicant's attorney or agent at the telephone number indicated below.

Please charge any fees that may be due to Deposit Account 502117, Motorola, Inc.

Respectfully submitted,
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